

OGC HAS REVIEWED.

*Pay & Allowances*  
-10

1 July 1954

MEMORANDUM FOR: Finance Division

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ATTENTION: [REDACTED]

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SUBJECT: Basic Subsistence Allowance for [REDACTED]

REFERENCE:

Memorandum from Director of Training to Chief, Finance Division, dated 24 May 1954

1. This will acknowledge receipt of the memorandum to you from the Director of Training which was forwarded to us for our opinion on the legality of payment of this allowance by CIA. We are also sending you a memorandum on the same subject from SCAPS whose advice we consulted.

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2. The memorandum from SCAPS recommends payment of this claim on the basis that [REDACTED] could have drawn the allowance from the military had he not been assigned to this Agency during the period in question. We concur in this recommendation upon the condition that an evidentiary statement to this effect is added to the record by the Military Personnel Division or any other office in a position to know the facts. The basis for this condition is our opinion that the record is not now clear that the fact of [REDACTED] service with this Agency was responsible for his failure to receive the allowance. The referenced memorandum appears to be based upon a statement that Military Personnel Division was unable to obtain authorization for the allowance from the Department of the Navy, but does not give any reason therefor. The cover sheet contains a notation by Finance Division addressed to us which indicates that the Navy at the time of the application was considering possible discontinuance of the allowance and, upon deciding to do so, returned the application. This would indicate that the application for the allowance was forwarded reasonably by the Military Personnel Division and received no better or no worse treatment from the Navy than was given to applications from other sources. It indicates to us the possibility that the fact of [REDACTED] service with this Agency in no way contributed to his failure to obtain authorization for the allowance. For this reason, we feel that there should be included in the record of this case a statement establishing the manner in which Chief Brown's services with this Agency prevented a successful application for the allowance. Until this is done we do not think [REDACTED] may legally be authorized payment of the allowance from CIA funds.

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Distribution:

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Orig &amp; 1 - Addressee

1 ✓ subject

Office of General Counsel

1 - legal 1 - vital 1 - signer 1 - chrono